

HB 274 Senate Committee Testimony

*For the
Senate Business & Labor Committee*

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Purpose

Succinctly put, this bill is seeking legislative relief to reduce regulation, administrative burden, and cost to the outfitting industry.

Premise

For the outfitting industry there is currently not only a high cost of regulation as measured by fees but equally a heavy administrative burden placed on the industry for compliance in submitting paperwork, reports and other requirements. The end result is the average licensee is subject to an unsustainable and undue burden.

Process and Parties Represented

Process to date has involved the three major outfitting industry associations of Montana, namely: Montana Outfitters & Guides Association (MOGA); Fishing Outfitters Association of Montana (FOAM), and; Professional Wilderness Outfitters Association (PWOA). Between the three associations, more than 80% of the licensed outfitters/guides are represented. Additionally the previous and residing Chairman of the Board of Outfitters as well MBO staff have been integrally involved. Over nearly a twelve-month period the group as consulted with major effected agencies and branches to derive input. Our appearance before and encouragement received by the *Select Committee on Efficiency in Government* chaired by Senator Sonju brings us to where we are today. This has gained widespread support and represents a truly collaborative process.

Salient Facts

1. The Bill is designed to create the correct relationship between those items that are more appropriately required in Statute versus those items that belong in Administrative Rule (ARM).
2. Over the last 20 years due to the migration of Outfitter oversight moving from FWP to Commerce to DLI, there have been several amendments to MCA TITLE 37 CHAPTER 47 or complimentary law that have rendered the surviving elements in the code confusing, contradictory or at times irrelevant
3. There has been an ongoing trend by the DLI and various sitting Boards to increase interpretive and often restrictive administrative rules in an attempt to codify or clarify vagaries in the statute. Unfortunately much of this increased administrative rules have often not improved in any way the

achievement of the overriding purpose of the Board...the protection of the health, safety and welfare of the public.

4. Per the minutes of the Legislative Economic Affairs Interim Committee from the January 2012 meeting:
 - a) The Board of Outfitters has the third highest cost per licensee and has the highest indirect payment percentage
 - b) Licensee total number have dropped from 2,462 FY 2010 to 1,671 FY 2011 or 32%
 - c) With the drop in licensees combined with projected increase in budget for the Board of Outfitters for FY 2012, average price per licensee will increase from \$268 to \$385 or a 44% increase making it the 2nd highest license cost only behind CPAs
 - d) The survey conducted by the Legislative Committee in preparation of the review revealed a resoundingly high level of dissatisfaction with the amount or overregulation of the industry
5. What the many oversight groups do not likely know, of all the licensed industries under DLI jurisdiction, the Outfitting Industry must have amongst the lowest per capita income with an estimated 80% of the 1,671 licensees making less than \$20,000 from outfitting/guide revenue sources
6. Critics contend that the industry is looking to reduce reporting requirements and transparency to the public. This is a simple misrepresentation. If one reviews ARM 24, it becomes clear that ample reporting and regulatory requirements still in place. Please note circulating packet of required reports still in place upon passage of HB274.

Conclusion

The industry is seeking relief:

- Repeal law that is no longer applicable due to previous statute change
- Revise statute language that is confusing or often gets misinterpreted by administrators or legal staff
- Reduce unnecessary administration, paperwork and record submissions that should assist help to lower the budget and therefore hold or reduce license fees

It is sensible and appropriate to bring the language and intent of Title 37 back into alignment with other licensed industries to improve efficiency, avoid unnecessary governmental administration and right size cost to the cost of licenses for other professions.

Please support HB274 with agreed upon technical correction amendment.

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